

No Links to Drug Dealers Found in 1986 CIA Check

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By Walter Pincus
Washington Post Staff Writer

The CIA did a one-day check of its records at the FBI's request in 1986 and reported it had no affiliation with two Nicaraguan drug dealers who were alleged in a recent newspaper series to have sold cocaine in the United States at that time to finance CIA-supported Nicaraguan contra rebels, according to CIA and FBI documents filed Monday in a U.S. District Court in San Diego.

In another court document filed Monday, a senior CIA official reported that an extensive search over the past month had so far reaffirmed the finding of 10 years ago of "no information" that the two Nicaraguans had "any relationship with the CIA." But the official added that a final judgment awaits the end of an internal CIA inquiry ordered in response to the newspaper series.

The question of the CIA's links to the two Nicaraguans, Norwin Meneses and Oscar Danilo Bandon, has arisen because of a controversial series published by the San Jose Mercury News in August. The series alleged that the two played a critical role in launching the crack cocaine epidemic in Los Angeles's African American neighborhoods and the rest of the country, as part of a scheme to finance the CIA-backed contras. Many of the series' conclusions have been widely challenged, but the articles provoked such an uproar that the CIA, Justice Department and Congress have ordered inquiries.

In its records search a decade ago, the CIA did find a reference in its files to Meneses, but there was no reference to any alleged links to the contras, according to the CIA and FBI documents. The CIA found a 1984 intelligence report that described Meneses as "well known as [belonging to] the Nicaraguan Mafia, dealing in drug[s], weapons and smuggling and laundering of counterfeit money." It also reported in 1985 that Meneses had been involved in drug activities in Costa Rica but that the government there was moving against him for trafficking and that as of December 1984 he was residing in Miami.

The CIA files check in 1986 found no information about the other Nicaraguan, Bandon, except requests for information about him from the FBI, the agency reported.

In the CIA affidavit referring to the

agency's internal records search in the past month, William H. McNair, information review officer for the agency's directorate of operations, said. "During these searches CIA located no information in its record systems that . . . Bandon [or] Meneses . . . had any relationship with the CIA, whether operational, contractual or employment."

McNair pointed out, however, that CIA Inspector General Frederick P. Hitz has an ongoing investigation into whether the CIA supported or condoned any drug smuggling by the contras into the United States, and any final statement about other references to Meneses and Bandon must await the conclusion of that inquiry.

McNair said the names of Meneses and Bandon would have turned up in the recent search if either of the two were "assets or sources of the agency used to collect intelligence or engage in

intelligence activities." They would have also turned up if they "were of operational interest . . . or had a relationship with any CIA-owned corporation or other private sector entity."

The McNair declaration and attached CIA and FBI documents are part of a broad filing made by the U.S. attorney in the case of convicted Los Angeles drug dealer "Freeway" Ricky Ross, another figure at the center of the San Jose paper's series. Ross has said his conviction should be set aside because of his claim that the CIA, through Bandon's sales of cocaine to him, orchestrated the introduction of crack cocaine into South-Central Los Angeles in the early 1980s.

In September, in response to the San Jose paper's series, U.S. District Judge Marilyn L. Huff delayed sentencing of Ross so that she could study his allegations and receive a report from the CIA. Found guilty on drug charges for the third time last March, Ross faces life in prison.

On Nov. 19, Huff is scheduled to rule on Ross's motions and if she denies them she is expected to go ahead with sentencing, according to government lawyers.

In the government's filing, Assistant U.S. Attorney L.J. O'Neale charged

that, among various claims by Ross, the one about the CIA "is least grounded in reality." He said Ross's argument "is entirely based on the articles in the San Jose Mercury News" and notes that the newspaper "now states that it never said that the CIA was responsible for crack cocaine."

Although the new documents show the CIA and FBI were aware through U.S. law enforcement and overseas intelligence that Meneses was involved in drug trafficking, they do not show any connection to the contras. In 1988, according to McNair, the FBI again requested information on Meneses, wanting to know if he was ever an agency employee or informant. Again, no such records were found, the agency reported.

The 1986 FBI request to the CIA was triggered by the arrest of Bandon and his wife in October 1986 after a wide-ranging search by the Los Angeles County Sheriff's Department of the drug dealer's home. The search turned up only minuscule amounts of cocaine, and the Bандons were eventually released.

However, one colleague of Bandon's, Ronald J. Lister, told the sheriff's officers that he had "worked with the CIA" in South America and was going to call a "Mr. Weekly of the CIA" and report what had gone on.

"Weekly," according to Monday's filing by CIA official McNair, was a former partner of Lister in gun selling. McNair reported the CIA never had a connection to Weekly or Lister.

The 1986 FBI request, based on Lister's allegation of a CIA association, was expanded to allege that both Bandon and Meneses claimed CIA affiliations. Prosecutor O'Neale said yesterday that the FBI request was in error, and that neither Bandon nor Meneses claimed at the time to have ties to the CIA.